City and County of San Francisco

Residential Rent Stabilization and Arbitration Board



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Christina A. Varner Acting Executive Director

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RICHARD HUNG
ASHLEY KLEIN
CATHY MOSBRUCKER
KENT QIAN
KION SAWNEY
ARTHUR TOM
DAVID WASSERMAN

MINUTES OF THE REGULAR MEETING OF THE SAN FRANCISCO RESIDENTIAL RENT STABILIZATION & ARBITRATION BOARD

Tuesday, May 10, 2022 at 6:00 p.m. Remote Meeting via video and teleconferencing https://bit.ly/3P70Zwe

Public Comment Dial In Number: (415) 655-0001 / Access Code: 2488 904 4979

On February 25, 2020, Mayor London Breed declared a state of emergency in regards to COVID-19. Thereafter, Governor Newsom issued a statewide order for all residents to shelter-in-place, and following that, numerous orders of the county health officer and supplemental Mayoral proclamations and directives were issued to slow and reduce the spread of COVID-19.

In several Mayoral proclamations and memorandums, the Mayor and City Attorney detailed emergency orders suspending select laws applicable to boards, commissions, and other policy bodies, and permitting boards and commissions to meet, so long as the meetings are held remotely. Additionally, at its April 12, 2022 meeting, the Rent Board Commission made findings to allow teleconferenced meetings under California Government Code Section 54953(e). Therefore, the Rent Board Commission meetings will be held via videoconferencing and will allow for remote public comment until further notice.

The Commission strongly encourages interested parties to submit their comments in writing, by 12:00 noon on May 10, 2022 to rentboard@sfgov.org. The meeting will be streamed live at 6:00 p.m. at https://bit.ly/3P70Zwe. The public comment call in instructions are available on the Rent Board's website at https://sfrb.org/meetings/9.

Please visit the Rent Board's website for ongoing updates during the COVID-19 emergency.

I. Call to Order

Commissioner Mosbrucker called the meeting to order at 6:15 p.m.

II. Reading of Ramaytush Ohlone Land Acknowledgment

Commissioner Crow read the Ramaytush Ohlone Land Acknowledgment.

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III. Roll Call

Commissioners Present: Crow; Hung; Mosbrucker; Qian; Sawney; Tom;

Wasserman.

Commissioners not Present: Gruber; Klein.

Staff Present: Brandon; Chan; Flores; Koomas; Santamina;

Sherman; Varner; Yeung.

IV. Approval of the Minutes

MSC: To approve the minutes of April 12, 2022.

(Wasserman/Tom: 7-0)

V. Remarks from the Public

There were no remarks from the public.

VI. Consideration of Appeals

A. 810 Eddy Street, #502

AT220014

The tenant's petition alleging decreased housing services was dismissed due to the tenant's non-appearance at the mediation. On appeal, the tenant claims that she did not receive the Notice of Mediation because it was not forwarded to her new address.

MSC: To accept the appeal and remand the case for a new hearing. Should the tenant again fail to appear, absent extraordinary circumstances, no further hearings will be scheduled.

(Wasserman/Qian: 5-0)

B. 4220 Cesar Chavez Street, #320

AT220012

The landlord's petition for a capital improvement passthrough to 15 of 37 units due to mandatory seismic retrofit work was granted. On appeal, the tenants in one unit argue that the landlord should not be permitted to pass through the cost of work that was required by law.

MSC: To deny the appeal. (Wasserman/Tom: 5-0)

C. 307 – 30th Avenue

AT220013

The tenants' petition alleging decreased housing services was granted in part and the landlord was found liable to the tenants for rent reductions in the amount of \$765.50 due to a rodent infestation. The tenants appeal, arguing in part that the ALJ undervalued their claim and that a rent reduction of \$1,725.00 was warranted under the circumstances.

Commissioner Mosbrucker recused herself from the consideration of this appeal because she is temporarily employed by the organization that represented the tenants in the underlying petition.

MSC: To deny the appeal. (Wasserman/Tom: 5-0)

D. 678 – 24th Avenue, #Lower Floor

AL220011

The tenants' petition alleging an unlawful rent increase was granted, and the landlord was found liable to the tenants for rent overpayments in the amount of \$10,950.00. The landlord appeals, contending in part that the ALJ was biased, that the tenants are untrustworthy and not credible, and that owner-occupied single-family homes should be exempt from rent regulations regardless of how many tenants reside there.

MSC: To deny the appeal. (Qian/Wasserman: 5-0)

E. 240 Chattanooga Street, #24

AL220010

The tenants' petition alleging unlawful rent increases and decreased housing services was granted in part and denied in part. The tenants' claim of decreased housing services was denied, but the landlord was found liable to the tenants for rent overpayments due to unlawful rent increases in the amount of \$16,080.26. The landlord appeals, arguing that the ALJ utilized the wrong methodology to calculate banked rent increases, that any increase that did exceed the lawful amount should have been recalculated by the ALJ instead of invalidated in its entirety, and that the decision improperly orders the landlord to refund rent overpayments for a period exceeding the three-year statute of limitations in the Ordinance.

Commissioner Wasserman recused himself from the consideration of this appeal because he represents the property owner in other matters.

Commissioner Crow recused himself from the consideration of this appeal because he has represented other tenants in the building.

MSC: To deny the appeal. (Mosbrucker/Qian: 4-0)

V. Remarks from the Public (cont.)

A. Katrina Verzosa, the daughter of the landlord at 678 – 24th Avenue, #Lower Floor (AL220011), told the Board that the tenants' unit is not a separate "unit," but is merely a bedroom within an owner-occupied home. She stated that her mother is 83-years old and doesn't want the tenants' living in her home anymore because she does not feel safe. Ms. Verzosa stated that the disputed rent increase was not initiated by her mother, but was attributable to the tenants' use of garage storage, and that it was only recently that the tenants' rented a small storage space at a wine shop.

VII. Communications

In addition to correspondence concerning cases on the calendar, the Commissioners received the following communications:

- A. Articles from the Mission Local and Business Insider.
- B. Monthly workload statistics for March 2022.

VIII. Director's Report

A. Rent Board Operations Update During COVID-19 Health Emergency

Acting Executive Director Christina Varner told the Board that the office remains open to the public at reduced hours, in line with City guidance and with support from the public, and that the phone counseling line remains open to the public from 9:00 a.m. – 12 noon and 1:00 p.m. – 4:00 p.m., Monday through Friday, excluding holidays, and that staff continue to work on a hybrid basis both at home and in the office following Citywide policy. She also explained that staff continue to work with DPW Architecture on the new space on the 6th and 7th floors and remain actively engaged in recruitments for a number of crucial positions in the department.

Acting Director Varner told the Board that staff are currently developing the Housing Inventory for owners of properties of 10 units or more to report into by July 1. She said that staff will be presenting at the San Francisco Apartment Association's annual trade show this Thursday, May 12.

In regards to pending legislation, Acting Director Varner explained, Board of Supervisors (BOS) File No. 220447, which waives certain building limits provided those newly constructed units are subject to the rent increase limitations of the Rent Ordinance, was introduced by Supervisor Mar on April 25, 2022, and that the Ordinance substitutes BOS File No. 210866, which was previously introduced by Supervisor Mandelman on July 27, 2021. She told the Board that BOS File No. 220341, regarding Ellis Act evictions, was introduced by Supervisor Melgar on April 5, and is still with the Land Use Committee. Acting Director Varner told the Board that BOS File No. 211202, which authorizes the construction of "Bonus Dwelling Units" on certain lots, provided those newly constructed units are offered for rent at affordable rates and remain subject to the rent increase limitations of the Rent Ordinance, is still before the Land Use Committee.

Acting Director Varner introduced the commissioners to four new employees in the newly formed Inventory and Fee unit - Yvonne Chan, Flordeliza Santamina, Danielle Sherman and Howard Yeung.

IX. Old Business

A. AB 361, Mayoral Directive, and Future Remote Commission Meetings

Acting Executive Director Varner stated that during previous Board Meetings, the Commissioners made findings to allow teleconferenced meetings pursuant to California

Government Code 54953(e), and that the Commissions must make a similar finding at least once every 30 days to continue having teleconferenced meetings. After Acting Executive Director Varner read the Board's findings into the record, Commissioner Wasserman made a motion, seconded by Commissioner Mosbrucker, to make a resolution making findings to allow a teleconference meeting on June 14, 2022 pursuant to California Government Code 54953(e). (Wasserman/Mosbrucker: 7-0)

X. New Business

A. Housing Inventory Unit Reporting Procedures

Commissioner Wasserman began the discussion by stating that the housing provider community believes that regulations should be adopted to implement the Housing Inventory legislation. He stated that the Commissioners had been provided two sets of proposed regulations, one prepared by the San Francisco Apartment Association (SFAA) and a second that amended the SFAA proposal based on comments provided by Rent Board staff. In addition, Commissioner Wasserman stated that he had just received an additional set of proposed regulations from the SFAA, which he asked Rent Board staff to circulate to the Commissioners. After some discussion, Rent Board staff agreed to circulate all three versions of the proposed regulations to the Commissioners in advance of the next Board Meeting, and to continue this item for consideration as Old Business at the June 14, 2022 Board Meeting.

B. Replacement of the Executive Director

Commissioner Wasserman requested, and Commissioner Mosbrucker concurred, that this item be continued to the June 14, 2022 Board Meeting as Old Business due to the absence of President Gruber.

XI. Calendar Items

June 14, 2022 – remote meeting via WebEx Events

A. Consideration of Appeals

3 appeal considerations

- B. Housing Inventory Unit Reporting Procedures
- C. Replacement of the Executive Director
- D. Property Tax Changes Resulting from the Passage of Prop. 19 (2020)

Reader of the Ramaytush Ohlone Land Acknowledgment – Commissioner Hung.

XII. Adjournment

Commissioner Mosbrucker adjourned the meeting at 7:36 p.m.